					TMENT OF N	OF UTAH NATURAL RESC L, GAS AND MI		ES .		AMENDED R	FORM 3 EPORT		
		APPL	ICATION FOR	PERMIT TO D	RILL				1. WELL NAME and N	UMBER AP 5-2JX			
2. TYPE OF WORK DRILL NEW WELL (REENTER P&A WELL) DEEPEN WELL)									3. FIELD OR WILDCA	T ALGER PASS	3		
4. TYPE OF	WELL	Gas V		5. UNIT or COMMUNI	TIZATION AGE	EEMENT N	IAME						
6. NAME O	F OPERATOR			ed Methane Well					7. OPERATOR PHONE		.5		
XTO ENERGY INC 505 333-3145													
	AL LEASE NUMBE	R	52 Road 5100, A.	11. MINERAL O					12. SURFACE OWNER	SHIP			
	М	L-36213	D	FEDERAL	INDIAN () STATE (I	() F	EE 💭			TATE (III)	FEE ()	
		NER (if box 12 = 'fo							14. SURFACE OWNER				
15. ADDRE	SS OF SURFACE	OWNER (if box 12	= 'tee')						16. SURFACE OWNE	R E-MAIL (if be	ox 12 = 'fee	·')	
	ALLOTTEE OR T = 'INDIAN')	RIBE NAME		MULTIPLE FOR	RMATIONS	E PRODUCTION ingling Application		I IO 📵	19. SLANT VERTICAL DIF	RECTIONAL () HORIZO	ONTAL 🛑	
20. LOCA	TION OF WELL		FC	OTAGES	G	QTR-QTR	s	ECTION	TOWNSHIP	RANGE		MERIDIAN	
LOCATION	N AT SURFACE		2021 FI	NL 709 FWL		SWNW		2	11.0 S	19.0 E		S	
Top of Up	permost Produc	ing Zone	2021 FI	NL 709 FWL		SWNW		2	11.0 S	19.0 E		S	
At Total [Depth		2021 FI	NL 709 FWL		SWNW 2		2	11.0 S	19.0 E		S	
21. COUNT		JINTAH		22. DISTANCE		LEASE LINE (Fe	eet)		23. NUMBER OF ACR	ES IN DRILLING 625	UNIT		
				25. DISTANCE (Applied For D	rilling or Con	WELL IN SAME mpleted) 650	POOL		26. PROPOSED DEPT	H D: 9689 TVD	: 9689		
27. ELEVA	TION - GROUND I	LEVEL		28. BOND NUM	BER				29. SOURCE OF DRIL WATER RIGHTS APPR	OVAL NUMBER		ABLE	
		5440		Hala C		1312762	rmati			43-10091			
String	Hole Size	Casing Size	Length	Weight	<u>. </u>	& Thread		x Mud Wt.	Cement	Sacks	Yield	Weight	
Surf	12.25	9.625	0 - 2200	36.0		ST&C	IVIA	8.4	Type V	183			
	12.20	0.020	- 2200		0 00	-			Class G	225	1.15		
Prod	7.875	5.5	0 - 9689	17.0	N-80	D LT&C		9.2	Premium Pl	us 502	3.12	11.6	
									Class G	300	1.75	13.0	
					ATTAC	CHMENTS							
	VERIF	Y THE FOLLOWII	NG ARE ATTAC	CHED IN ACCO	ORDANCE W	VITH THE UTA	H OIL	. AND GAS	CONSERVATION G	ENERAL RU	LES		
I ✓ WE	LL PLAT OR MAP	PREPARED BY LICI	ENSED SURVEYO	R OR ENGINEER		COMF	PLETE	DRILLING PL	_AN				
AFF	IDAVIT OF STATU	S OF SURFACE OW	NER AGREEMEN	T (IF FEE SURFA	ACE)	FORM	5. IF C	PERATOR IS	S OTHER THAN THE LI	EASE OWNER			
DIR	ECTIONAL SURVI	EY PLAN (IF DIREC	TIONALLY OR HO	ORIZONTALLY D	RILLED)	ТОРО	GRAPI	HICAL MAP					
NAME Kris	sta Wilson			TITLE Permitti	ng Tech	1		PHONE 505	333-3647				
SIGNATURE DATE 10/06/2011							\dashv	EMAIL krista	wilson@xtoenergy.co	om			
	er assigned 475205500	00		APPROVAL			Bacqill						
								Pern	Permit Manager				

XTO ENERGY INC.

AP 5-2JX APD Data May 29, 2008

Location: 2021' FNL & 709' FWL, Sec. 2, T11S,R19E County: Uintah State: Utah

GREATEST PROJECTED TD: 9689' MD OBJECTIVE: Wasatch

APPROX GR ELEV: 5440'

OBJECTIVE: <u>Wasatch/Mesaverde</u>
Est KB ELEV: 5454' (14' AGL)

1. MUD PROGRAM:

INTERVAL	0' to 2200'	2200' to 9689'
HOLE SIZE	12.25"	7.875"
MUD TYPE	FW/Spud Mud	KCl Based LSND / Gel Chemical
WEIGHT	8.4	8.6-9.20
VISCOSITY	NC	30-60
WATER LOSS	NC	8-15

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes. The mud system will be monitored visually/manually.

2. CASING PROGRAM:

Surface Casing: 9.625" casing set at ± 2200' in a 12.25" hole filled with 8.4 ppg mud

20119CE	Сазшу.	,	023 Va	ans sor a								
					Coll	Burst						
I				ł	Rating	Rating	Jt Str	ID	Drift	SF	SF	SF
Interval	Length	Wt	Gr	Cplg	(psi)	(psi)	(M-lbs)	(in)	(in)	Coll	Burst	Ten
THICK ANT	TVCITECTI						->	0.001	0.765	2 10	3.66	4.97
0'-2200'	2200'	36#	J-55	ST&C	2020	3.66	394	8.921	8.765	2.10	3.00	4.77
0 4200	2200											

Production Casing: 5.5" casing set at ±9689' in a 7.875" hole filled with 9.2 ppg mud.

1100	IUCHO	ii CeamP		, ,,,,,,,,,,	B 300 30								
						Coll	Burst	1					
1						Rating	Rating	Jt Str	ID	Drift	SF	SF	SF
T_4		Length	Wt	Gr	Cplg	(psi)	(psi)	(M-lbs)	(in)	(in)	Coll	Burst	Ten
Interv	क्षा	rengm	WL				_				1 71	2.11	2.11
0'-968	20'	9689'	17#	N-80	LT&C	6280	7740	348	4.892	4.767	1./1	2.11	Z.11
V -300	77	7007	2717										

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

3. WELLHEAD:

- A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom (or slip-on, weld-on) and 11-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 5,000 psig WP, 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

4. CEMENT PROGRAM:

A. Surface: 9.625", 36#, J-55, ST&C casing to be set at ±2200' in 12.25" hole.

<u>LEAD:</u>

±183 sx of Type V cement (or equivalent) typically containing accelerator and LCM mixed at 11.0 ppg, 3.82 cu. ft./sk..

TAIL:

225 sx of Class G (or equivalent) typically containing accelerator and LCM mixed at 15.8 ppg, 1.15 cu. ft./sk.

Total estimated slurry volume for the 9.625" surface casing is 956.5 ft³. Slurry includes 35% excess of calculated open hole annular volume to 2200'.

5.5", 17#, N-80 (or equiv.), LT&C casing to be set at ± 9689 ' in 7.875" hole. B. Production:

LEAD:

±502 sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 11.6 ppg, 3.12 ft³/sk, 17.71 gal wtr/sx.

TAIL:

300 sx Class G or equivalent cement with poz, bonding additive, LCM, dispersant, & fluid loss mixed at 13.0 ppg, 1.75 cuft/sx, 9.09 gal/sx.

Total estimated slurry volume for the 5.5" production casing is 2090 ft³. Slurry includes 15% excess of calculated open hole annular volume.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string.

5. LOGGING PROGRAM:

- A. Mud Logger: The mud logger will come on at surface casing point and will remain on the hole until TD. The mud will be logged in 10' intervals.
- Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (9689') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (9689') to 2200'.

FORMATION TOPS:

FORMATION	Sub-Sea Elev. (@SHL)	TVD (@SHL)
Green River	4,590	869
Mahogany Bench Mbr.	3,745	1,714
Wasatch Tongue	1,695	3,764
Green River Tongue	1,335	4,124
Wasatch*	1,170	4,289
Chapita Wells*	365	5,094
Uteland Buttes	-840	6,299
Mesaverde*	-1,710	7,169
Castlegate	N/A	N/A
TD**	-4,230	9,689

^{*} Primary Objective

7. ANTICIPATED OIL, GAS, & WATER ZONES:

A.

Formation	Expected Fluids	Well Depth Top
Green River	Water/Oil Shale	869
Mahogoany Bench Mbr.	Water/Oil Shale	1,714
Wasatch Tongue	Oil/Gas/Water	3,764
Green River Tongue	Oil/Gas/Water	4,124
Wasatch*	Gas/Water	4,289
Chapita Wells*	Gas/Water	5,094
Uteland Buttes	Gas/Water	6,299
Mesaverde*	Gas/Water	7,169
Castlegate	Gas/Water	N/A

- B. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.
- C. There are no known potential sources of H₂S.
- D. Expected bottom hole pressures are between 4100 psi and 4600 psi.
- E. Base of Moderately Saline Water (USGS) at 3954'.

8. BOP EQUIPMENT:

Surface will not utilize a bop stack.

Production hole will be drilled with a 3000 psi BOP stack.

Minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

Annular BOP - 1500 psi
Ram type BOP - 3000 psi
Kill line valves - 3000 psi
Choke line valves and choke manifold valves - 3000 psi
Chokes - 3000 psi
Casing, casinghead & weld - 1500 psi
Upper kelly cock and safety valve - 3000 psi
Dart valve - 3000 psi

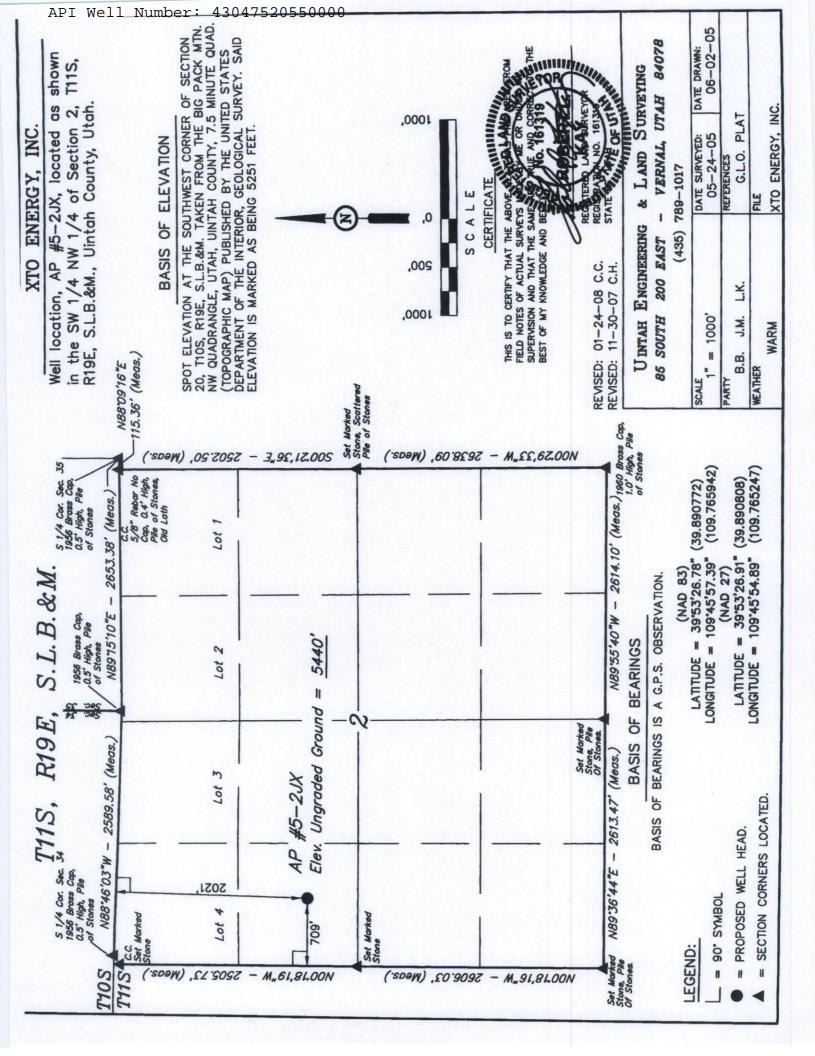
Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Vernal, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP & Choke manifold diagrams.

9. COMPANY PERSONNEL:

<u>Name</u>	<u>Title</u>	Office Phone	Home Phone
John Egelston	Drilling Engineer	505-333-3163	505-330-6902
Bobby Jackson	Drilling Superintendent	505-333-3224	505 -486-470 6
Glen Christiansen	Project Geologist	817-885-2800	



TOPO

SURFACE USE PLAN

Name of Operator: XTO Energy Inc.

Address: 382 CR 3100

Aztec, NM 87410

Well Location: AP 5-2JX

Surface: 2021' FNL & 709' FWL, SW/4 NW/4

Section 2, T11S, R19E, SLB&M, Uintah County, Utah

The surface owner or surface owner representative and dirt contractor will be provided with an approved copy of the surface use plan of operations and approved conditions of approve before initiating construction.

1. Existing Roads:

- a. The proposed access route to the location shown on the USGS quadrangle map (see Exhibit "A").
- b. The proposed well site is located approximately 14.43 miles southwest of Ouray, Utah.
- c. Proceed in a westerly direction from Vernal, Utah along U.S. Highway 40 for approximately 14.0 miles to the junction of State Highway 88. Exit left and proceed in a southerly direction for approximately 17.0 miles to Ouray, Utah. Proceed in a southerly, then southeasterly direction for approximately 9.1 miles on the Seep Ridge Road to the junction of this road an existing road to the south. Turn right and proceed in a southerly direction for approximately 2.8 miles to the junction of this road and an existing road to the west. Turn right and proceed in a westerly, then southwesterly direction for approximately 0.5 miles to the junction of this road and an existing road to the north. Turn right and proceed in a northerly, then southwesterly direction for approximately 2.8 miles to the junction of this road and an existing road to the southwest. Proceed in a southwesterly direction for approximately 3.8 miles to the junction of this road and an existing road to the southwest. Turn left and proceed in a southwesterly, then northwesterly direction for approximately 2.1 miles to the proposed location.
- d. All existing roads within a one (1) mile radius of the proposed well site are shown in Exhibit "B". If necessary, all existing roads that will be used for access to the proposed well location will be maintained to the current condition, or better, unless BLM ort SITLA approval or consent is given to upgrade the existing road(s).
- e. The use of roads under State and County Road Department maintenance are necessary to access the Algers Pass Unit Area. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are anticipated at this time.
- f. All existing roads will be maintained and kept in good repair during all phases of operation.
- g. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.

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- h. Since no improvements are anticipated to the to the State, County, Tribal or BLM access roads, no topsoil stripping will occur.
- All disturbances (wellsite, access and pipeline corridors) will be contained within the existing SITLA lease boundary with no additional SITLA or Federal surface use required.

2. Planned Access Roads:

- Location (centerline): Access utilizes the access to the AP 5-2J P&A well, no new access is proposed with this application.
- b. A road design plan is not anticipated at this time.
- c. No turnouts are proposed since adequate site distance exists in all directions and no new road construction will take place.
- d. No gates or cattle guards are anticipated at this time.
- e. Surface disturbance and vehicular travel will be limed to the approved location access road.
- f. Adequate drainage structures and culverts have been incorporated into the road where needed.
- g. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (Gold Book – Fourth Edition – Revised 2007).
- h. The operator will be responsible for all maintenance of the access roads, including any anticipated drainage structures.
- i. Other: See general information below.
 - If any additional Right-of-Way is necessary, no surface disturbing activities shall take place on the subject Right-of-Way until the associated APD is approved. The holder will adhere to conditions of approval in the Surface Use Program of the approved APD, relevant to any Right-of-Way facilities.
 - If a Right-of-Way is secured, boundary adjustments in the lease or unit shall automatically amend this Right-of-Way to include that portion of the facilities no longer contained within the lease or unit. In the event of an automatic amendment to this Right-of-Way grant, the prior on-lease/unit conditions of approval of this facility will not be affected even though they would now apply to facilities outside of the lease/unit as a result of a boundary adjustment. Rental fees, if appropriate shall be recalculated based on the conditions of this grant and the regulations in effect at the time of an automatic amendment.
 - If at any time the facilities located on public lands authorized by the
 terms of this lease are no longer included in the lease (due to a
 contraction in the unit or lease or unit boundary change) the BLM will
 process a change in authorization to the appropriate statute. The
 authorization will be subject to appropriate rental, or other financial
 obligations as determined by the BLM.

If the well is productive, the access road will be rehabilitated as needed and brought to Resource (Class II) Road Standards within a time period specified by SITLA or the BLM. If upgraded, the access road must be maintained at these standards until the well is properly abandoned. If this time frame cannot be met, the Field Office Manager will be notified so that temporary drainage control can be installed along the access road.

3. Location of Existing Wells:

a. All wells in a one (1) mile radius are shown within Exhibit "C".

4. Location of Existing and or Proposed Production Facilities:

- a. On-site facilities: Typical on-site facilities will consist of a wellhead, flowlines (typically 3" dia.), artificial lifting system (if necessary), wellhead compression (if necessary), gas/oil/water separator (3 phase), gas measurement and water measurement equipment, and a heated enclosure/building for weather and environmental protection. The tank battery will typically be constructed and surrounded by a berm of sufficient capacity to contain 1 ½ times the storage capacity of the largest tank. The tanks typically necessary for the production of this well will be 1 300 bbl steel, above ground tank for oil/condensate and 1 300 bbl steel, above ground tank for produced water. All loading lines and valves for these tanks will be placed inside the berm surrounding the tank battery.
 - All oil/condensate production and measurement shall conform to the provision of 43 CFR 3162.7 and Onshore Oil and Gas Order No. 4, if applicable. Other on-site equipment and systems may include methanol injection and winter weather protection.
 - All permanent (in place for six (6) months or longer) structures
 constructed or installed on the well site location will be painted a flat,
 non-reflective color, matching the ground and not sky, slightly darker
 than the adjacent landscape, as specified by the COA's in the
 approved APD. All facilities will be painted within six (6) months of
 installation. Facilities required to comply with the Occupations Safety
 and Health Act (OSHA) may be excluded.
 - Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- b. Off- site facilities: None.
- c. A gas meter run will be constructed and located on lease within 500 feet of the well head. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease; it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.
- e. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.

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- f. A pipeline corridor already exists to this wellsite for the AP 5-2J plugged and abandoned well (see Exhibit "D").
- g. XTO Energy Inc. also requests permission to upgrade the existing pipeline corridor to contain a single steel gas pipeline and a single steel or poly pipe water pipeline within the previously approved pipeline corridor and traverse between the existing AP 5-2J and the east line of Section 2 along the previously approved route. The federal segment will be upgraded through a separate Right-of-Way amendment.
- h. The new and upgraded segments of the gas pipeline will be a 12' or less buried line and the water pipeline will be 12' or less buried line within a 75' wide disturbed pipeline corridor. The use of the existing well site and access roads will facilitate the staging of the pipeline corridor upgrade.
- i. The proposed pipeline and pipeline upgrade are contained within SITLA surface.
- XTO Energy Inc. intends to bury the pipeline where possible and connect the pipeline together utilizing conventional welding technology.

5. Location and Type of Water Supply:

- a. No water supply pipeline will be laid for this well.
- b. No water well will be drilled for this well.
- c. Drilling water for this well will be hauled on the road(s) shown in Exhibit "B".
- d. Water will be hauled from one of the following sources:
 - Water Permit # 43-10991, Section 9, T8S, R20E;
 - Water Permit # 43-2189, Section 33, T8S, R20E;
 - Water Permit # 49-2158, Section 33, T8S, R20E;
 - Water Permit # 49-2262, Section 33, T8S, R20E;
 - Water Permit # 49- 1645, Section 5, T9S, R22E;
 - Water Permit # 43-9077, Section 32, T6S, R20E;
 - Tribal Resolution 06-183, Section 22, T10S, R20E.

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from SITLA, Ute Tribal or BLM Lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

7. Methods of Handling Waste:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the east side of the pad.

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- d. The reserve pit will be constructed so as not to leak, breach, or allow for any discharge.
- e. The reserve pit will be lined with a 20 ml minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe etc., that could puncture the liner will be disposed of in the pit. The pit walls will be sloped not greater than 2:1. A minimum 2-foot of freeboard will be maintained in the pit at all times during the drilling and completion operations.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side with be fenced and a bird net installed as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- Produced fluids from the well other than water will be produced into a test tank until such time as the construction of the production facilities is complete. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved XTO Energy Inc. disposal well for proper disposal.
- k. Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order No. 7.
- I. Any salts and/or chemical, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.
- m. Sanitary facilities will be onsite at all times during operations. Sewage will be placed in a portable chemical toilet and the toiled replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage containers and portable toilets are the only ancillary facilities proposed in this application.
- b. No camps, airstrips or staging areas are proposed with this application.

9. Well Site Layout: (See Exhibit "E")

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the south.
- c. The pad and road designs are consistent with BLM and SITLA specifications.
- d. A pre-construction meeting with responsible company representatives, contractors, and SITLA will be conducted at the project site prior to commencement of surface disturbing activities. The pad and road will be construction staked prior to this meeting.
- e. The pad has been staked at its maximum size; however, it will be constructed smaller, if possible, depending on rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specification in the approved plans.
- g. All cut and fill sloped will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed and storm water BMP's installed around the well site to prevent surface water from entering the well site.
- i. The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The reserve pit will be properly fenced and a bird net installed to prevent any livestock, wildlife or migratory bird entry, and will remain so until site clean-up.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe and useable condition.
- The stockpiled topsoil (first 6 inches or maximum available) will be stored in a
 windrow on the uphill side of the location to prevent possible contamination. All
 topsoil will be stockpiled for reclamation in such a way as to prevent soil loss
 and/or contamination.
- m. The blooie line will be located at least 100 feet from the well head.
- n. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

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10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):

- a. Site reclamation for the production well will be accomplished for the portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. Once the reserve pit is dry, the plastic nylon liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that torn portion of the location not needed for production facilities/operations will be re-contoured to match the appropriate natural contours of the area.
- c. Following the BLM published Best Management Practices and per the signed 2009 Reclamation Plan, the interim reclamation will be completed within 90 days of well completion or 120 days of wells spud (weather permitting) to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured to match the surrounding topography.
 - The area outside the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend in with the surrounding topography and reseeded as prescribed by SITLA.
 - Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. The operator will control noxious weeds along the access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the SITLA or the appropriate County Extension Office. On SITAL administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or other possibly hazardous chemicals.
- e. Prior to final abandonment of the site, all disturbed areas, including access roads will be scarified and left with a rough surface. The site will then be reseeded and/or planted as prescribed by SITLA. A SITLA recommended seed mix will be detailed within their approval documents.

11. Surface and Mineral Ownership:

- Surface Ownership State of Utah under the management of the SITLA –
 State Office, 675 East 500 South, Salt Lake City, Utah 84102; 801-538-5100.
- Surface Ownership State of Utah under the management of the SITLA –
 State Office, 675 East 500 South, Salt Lake City, Utah 84102; 801-538-5100.

Surface Use Plan AP 5-2JX 10/6/2011

12. Other Information:

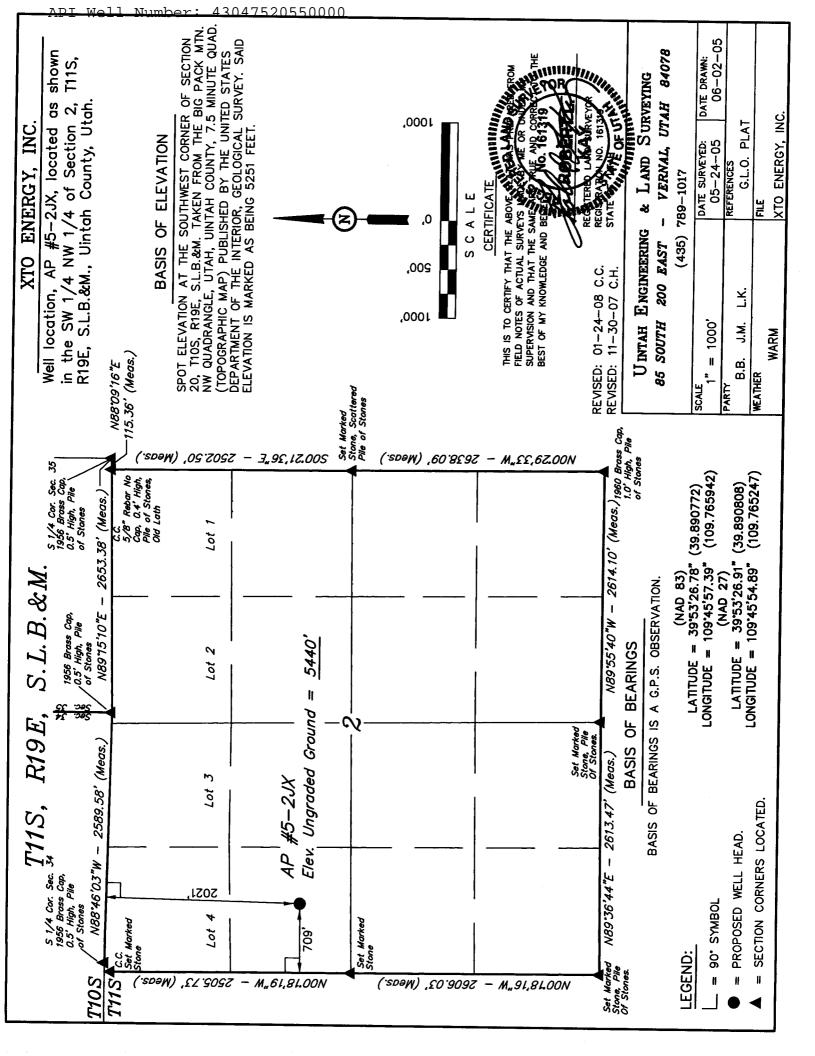
- AIA has conducted a Class III archeological survey. A copy of the report was submitted under separate cover to the appropriate agencies with the first filing of this proposed APD
- b. Alden Hamblin conducted a paleontological survey. A copy of the original report was submitted under separate cover to the appropriate agencies with the first filing of this proposed APD.

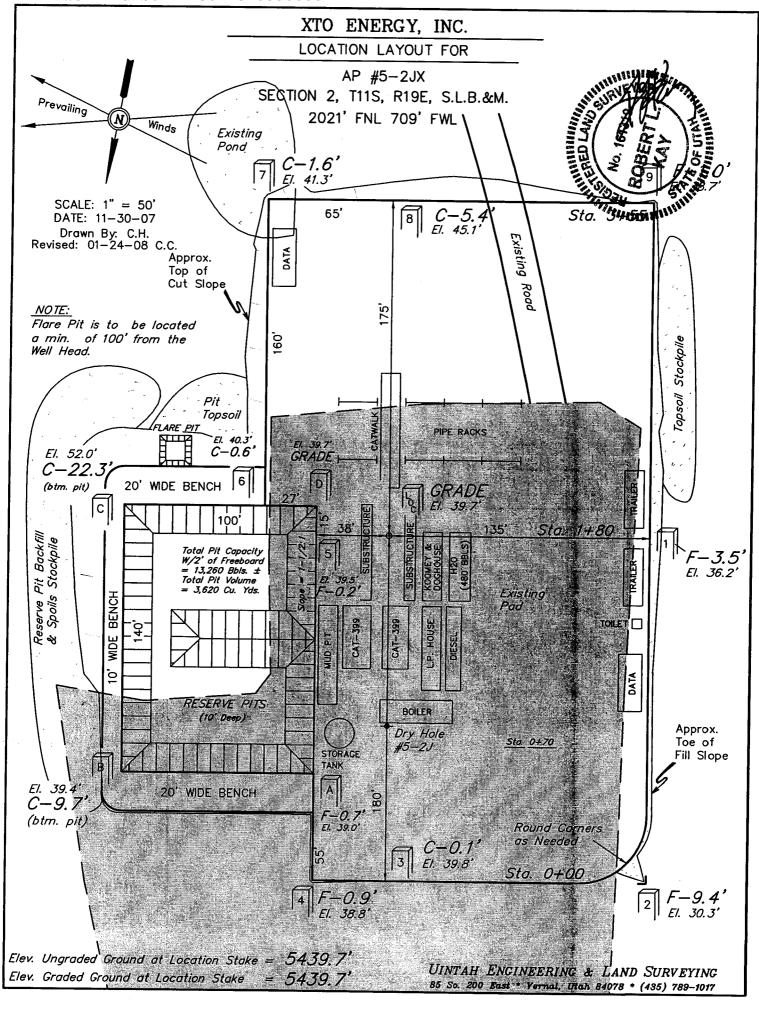
Surface Use Plan AP 5-2JX 10/6/2011 8

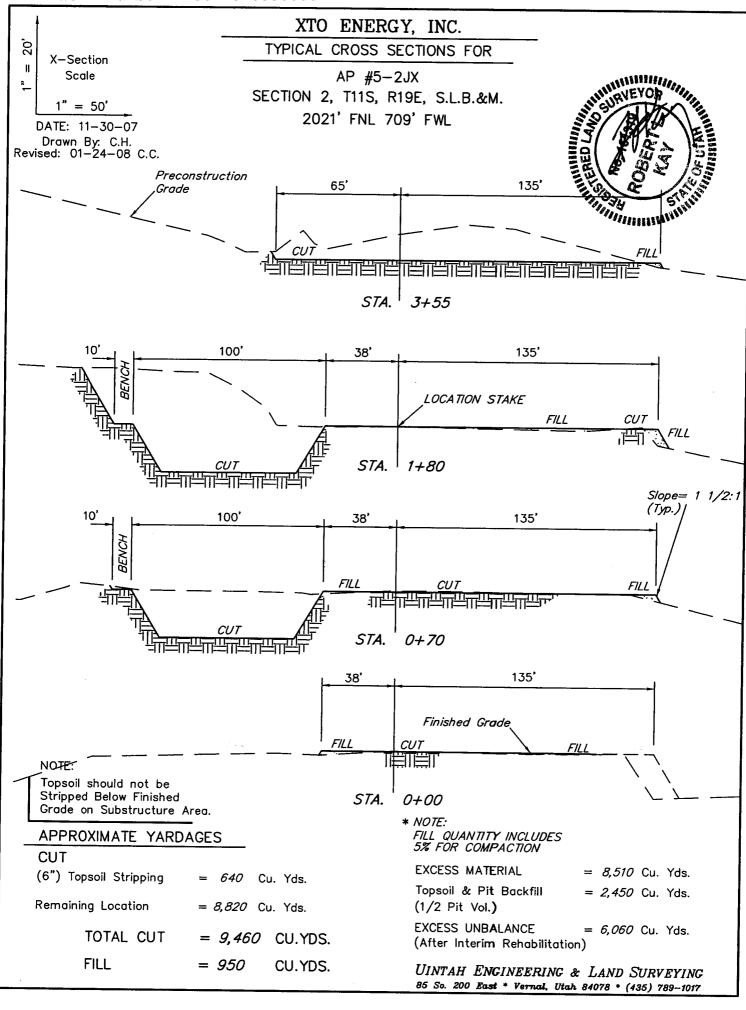
XTO ENERGY, INC. AP #5-2JX SECTION 2, T11S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST: PROCEED IN Α SOUTHWESTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.3 MILES.







XTO ENERGY, INC.

AP #5-2JX

LOCATED IN UINTAH COUNTY, UTAH SECTION 2, T11S, R19E, S.L.B.&M.

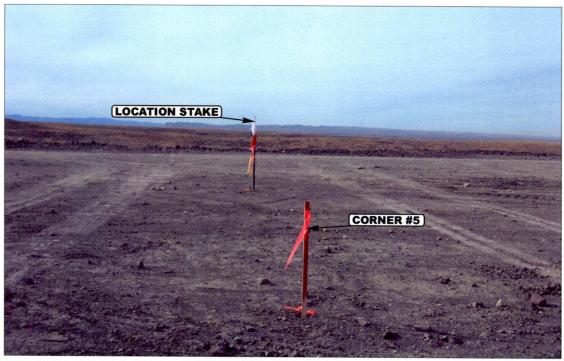


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHWESTERLY

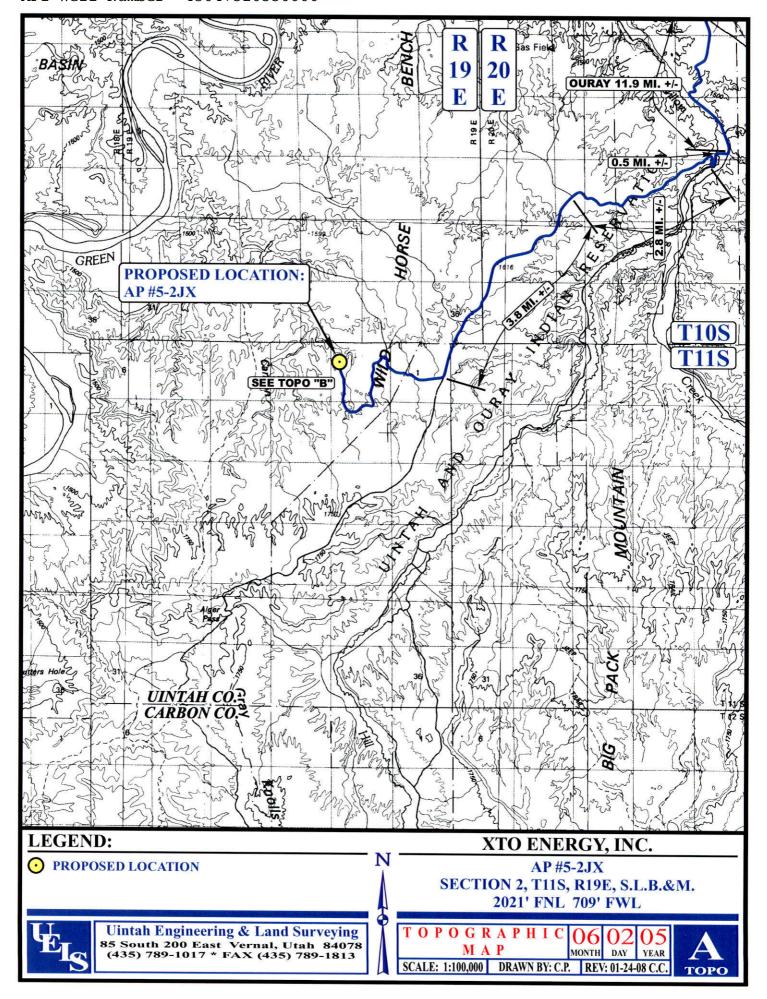
РНОТО

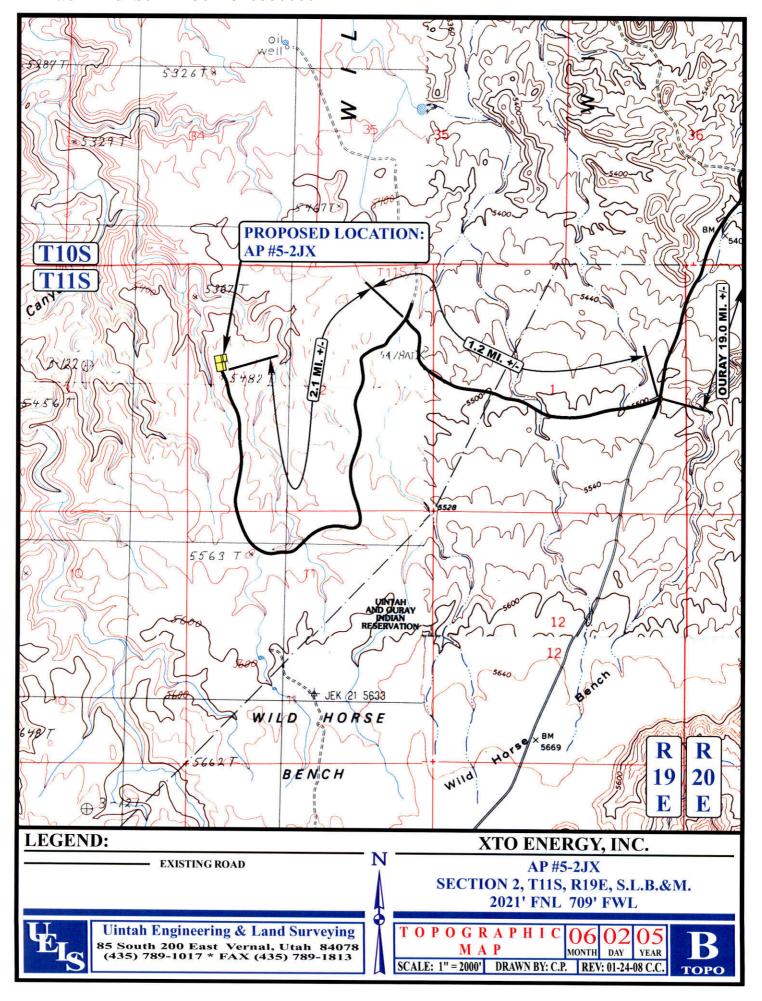


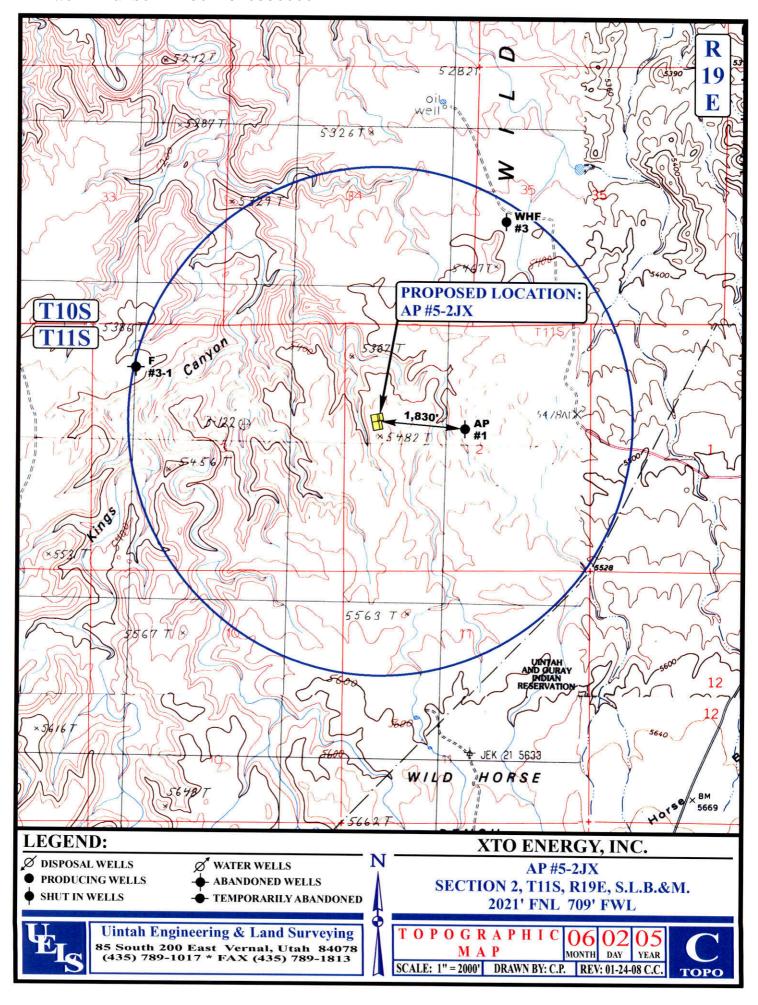
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com LOCATION PHOTOS

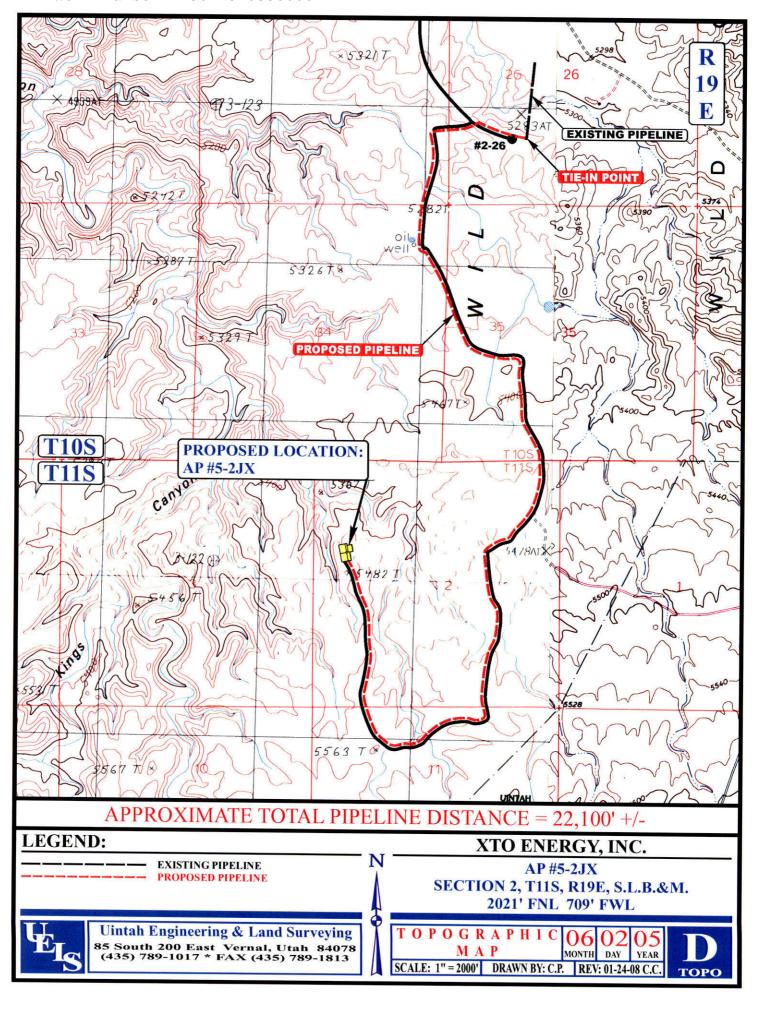
OF ONE OF ORDER

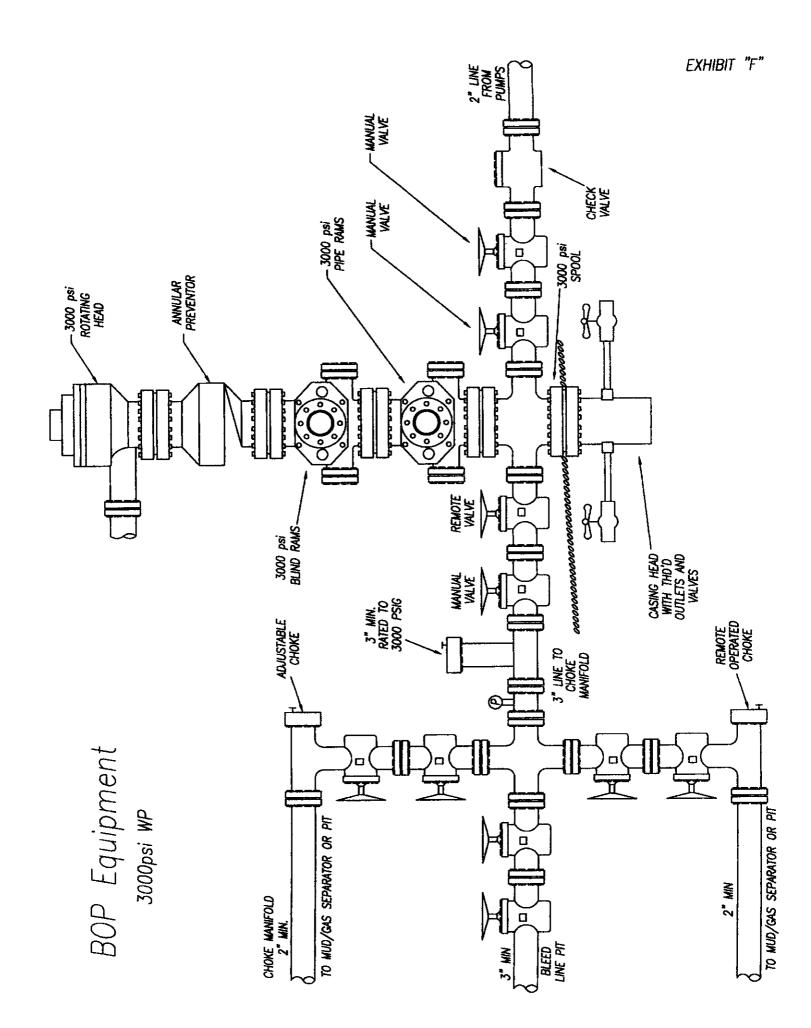
TAKEN BY: J.R. | DRAWN BY: C.P. | REV: 01-24-08 C.C.

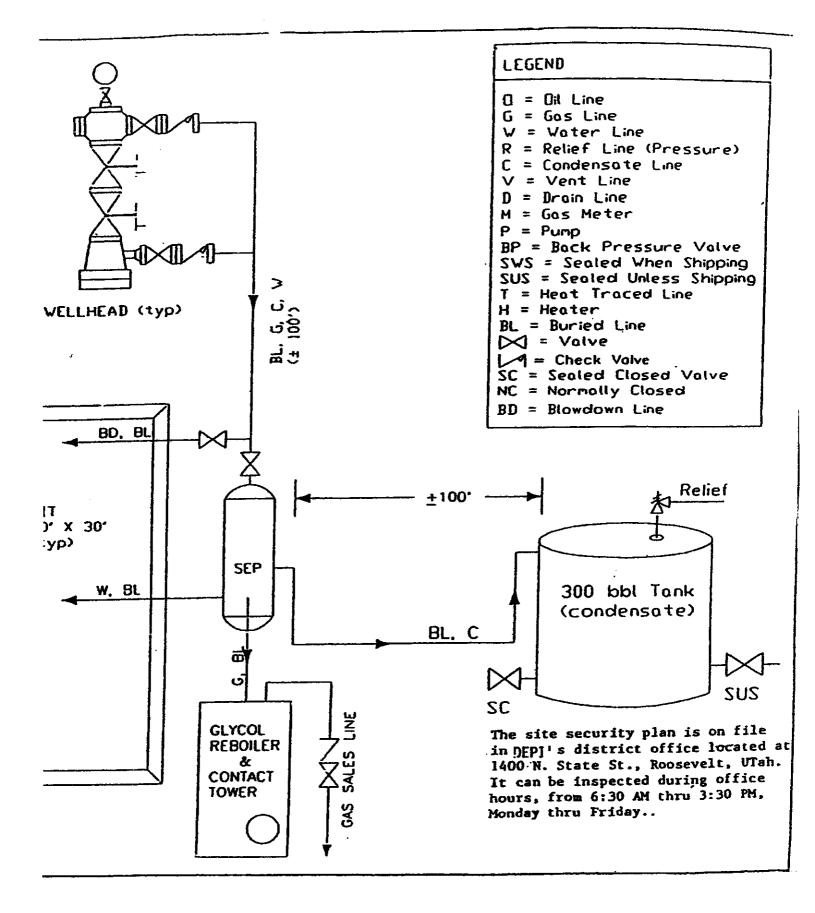












Operator Certification:

a. Permitting and Compliance:

Krista Wilson Permitting Tech. XTO Energy Inc. 382 CR 3100 Aztec NM 87410 505-333-3100

b. Drilling and Completions:

Justin Niederhofer XTO Energy Inc. 382 CR 3100 Aztec, NM 87410 505-333-3100

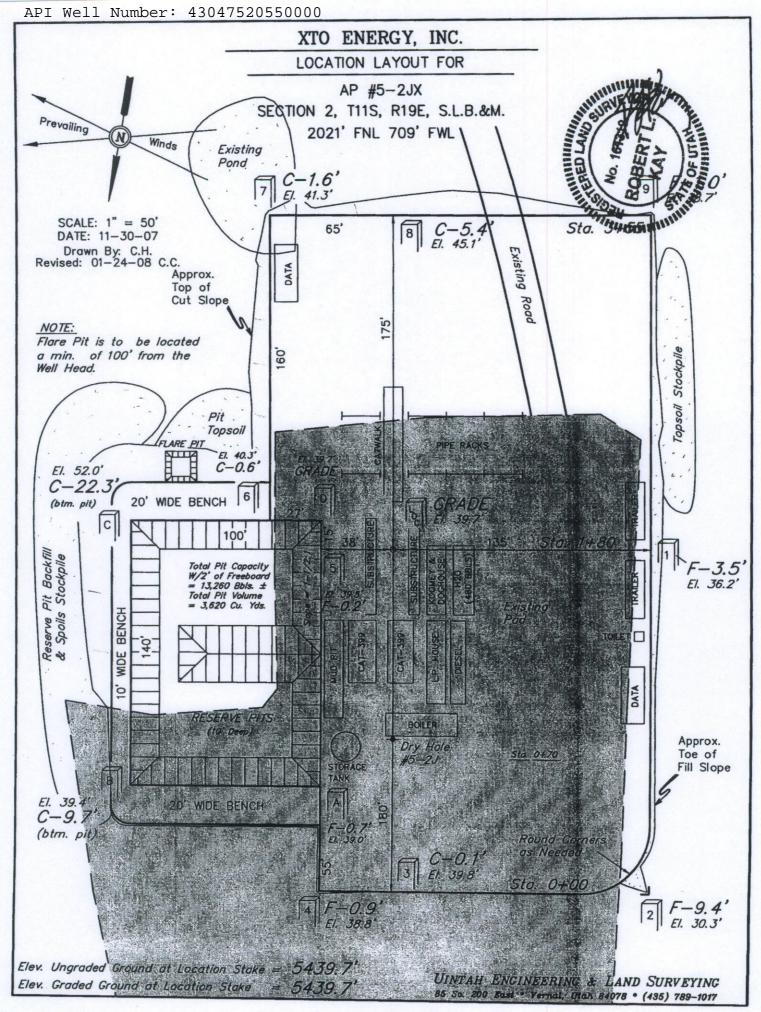
c. Certification:

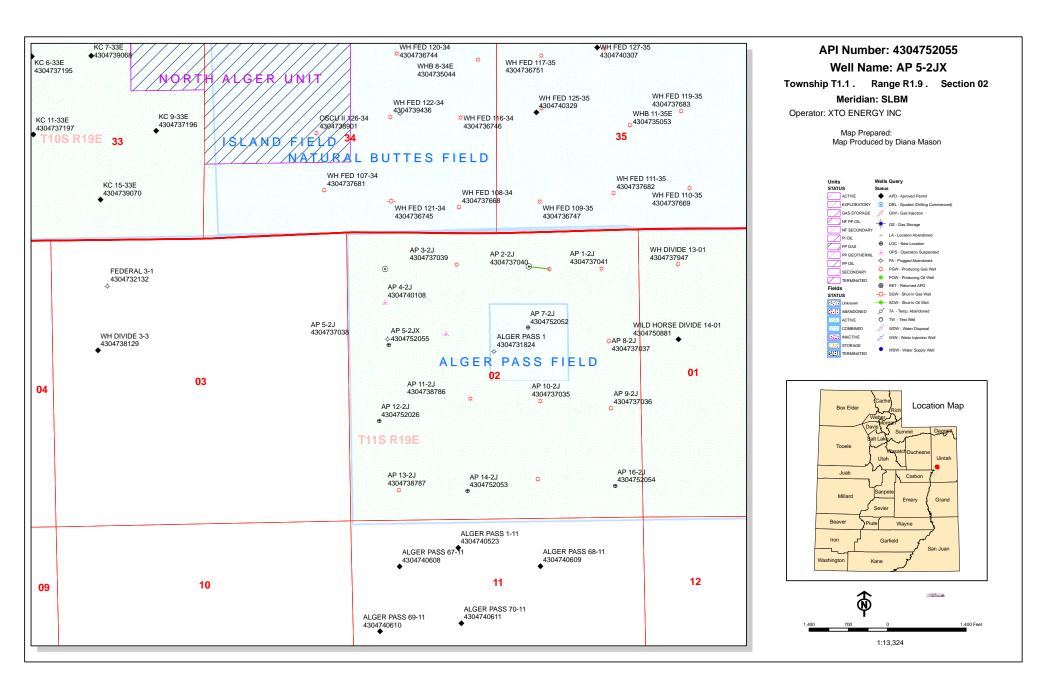
I hereby certify that, I or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or XTO Energy Inc., are responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 6th day of October, 2011.

Signature: __\

Krista Wilson

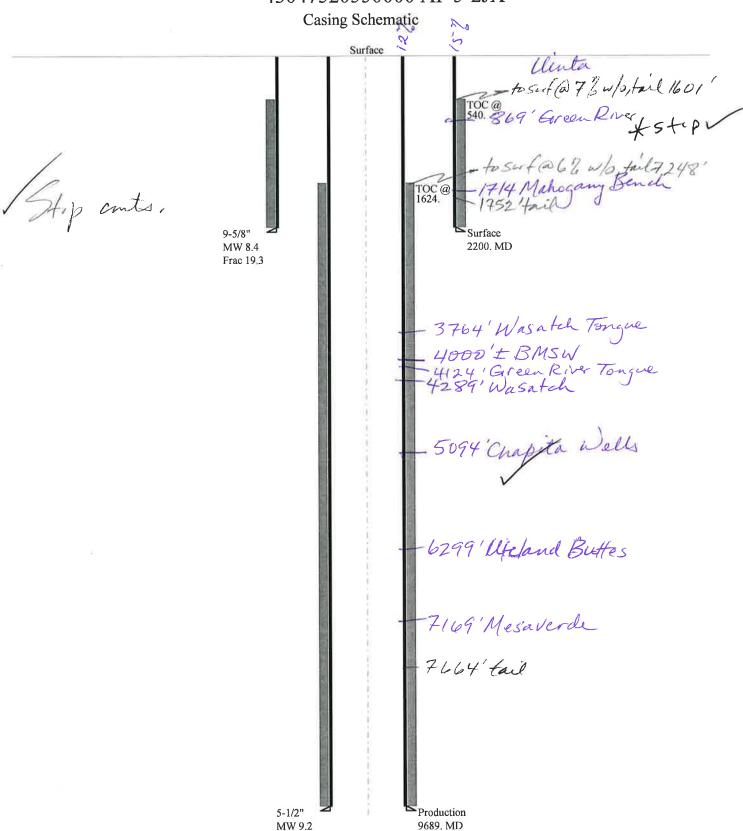




BOPE REVIEW XTO ENERGY INC AP 5-2JX 43047520550000

Well Name		XTO ENERGY INC AP 5-2JX 43047520550000						
String		Surf	Prod					
Casing Size(")		9.625	5.500					<u>ī</u>
Setting Depth (TVD)		2200	9689					
Previous Shoe Setting Dept	h (TVD)	0	2200					
Max Mud Weight (ppg)		8.4	9.2					
BOPE Proposed (psi)		0	3000					
Casing Internal Yield (psi)		3520	7740					
Operators Max Anticipated	Pressure (psi)	4600	9.1					
a		G 8.G.		1.				
Calculations Max BHP (psi)		Surf Stri	ng 052*Setting Γ	lanth*N	4W-		625	<u> </u>
Wax BIII (psi)			52 Setting 1	ерии г	VI VV —	961	-	BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)		Max BH	P-(0.12*Sett	ing Dei	oth)=	697	=	NO NO
MASP (Gas/Mud) (psi)			P-(0.22*Sett				=	
Milist (Gus/Muu) (Psi)		Mux Bii	1 (0.22 Bett	ing Be) II) =	477	-	*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(S	etting Depth	- Previous Sl	noe Dej	oth)=	477	=	NO Common in area
Required Casing/BOPE Tes	st Pressure=				\rightarrow	2200		psi
*Max Pressure Allowed @ 1		Shoe=			_	0	=	psi *Assumes 1psi/ft frac gradient
						0		1
Calculations		Prod Str	ing			5.	500	"
Max BHP (psi)		.0.	52*Setting I	Depth*1	MW=	4635		
MAGD (G) ()		14 DY	D (0.10#0		.1.			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)			P-(0.12*Sett		_	3472	4	NO
MASP (Gas/Mud) (psi)		Max BHP-(0.22*Setting Depth)=				2503	_	YES OK
Pressure At Previous Shoe	May BHD 22*(S	atting Danth	Pravious SI	noa Dar	ath)-		=	*Can Full Expected Pressure Be Held At Previous Shoe?
Required Casing/BOPE Tes		etting Deptin	- Tievious Si	ioc Dej)tii)=	2987	=	NO OK
*Max Pressure Allowed @ 1		Shoo-			-	3000	4	psi *Assumes 1psi/ft frac gradient
Max Tressure Anowed @ 1	Trevious Casing i	3110E=				2200		psi *Assumes 1psi/ft frac gradient
Calculations		String						"
Max BHP (psi)		.0	52*Setting I	Depth*1	MW=			
								BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)		Max BH	P-(0.12*Sett	ing De _l	pth)=			NO .
MASP (Gas/Mud) (psi)		Max BH	P-(0.22*Sett	ing De _l	pth)=			NO .
Duranes AA Durantana Char	M DUD 22*/C	- strin - Donah	D C1	D	- 41-1			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe		etting Depth	- Previous Si	noe Dej	otn)=			NO
Required Casing/BOPE Tes		a 1					4	psi
*Max Pressure Allowed @ 1	Shoe=						psi *Assumes 1psi/ft frac gradient	
Calculations		String						"
Max BHP (psi) .052*Setting Depth*.		Depth*1	MW=					
								BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)		Max BH	P-(0.12*Sett	ing De _l	oth)=			NO
MASP (Gas/Mud) (psi)		Max BH	P-(0.22*Sett	ing De	pth)=			NO
								*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	etting Depth	- Previous Sl	noe Dej	pth)=			NO	
Required Casing/BOPE Tes	st Pressure=					,		psi
*Max Pressure Allowed @ 1	Previous Casing S	Shoe=					Til.	psi *Assumes 1psi/ft frac gradient

43047520550000 AP 5-2JX



Well name:

43047520550000 AP 5-2JX

Operator:

XTO ENERGY INC

String type:

Surface

Project ID:

Location:

UINTAH

COUNTY

43-047-52055

Design parameters:

Collapse

Mud weight: Design is based on evacuated pipe.

8.400 ppg

Minimum design factors: Collapse:

Design factor

1.125

Environment:

H2S considered? Surface temperature: Bottom hole temperature:

No 74 °F 105 °F

Temperature gradient: Minimum section length: 1.40 °F/100ft 100 ft

Burst:

Design factor

1.00

1.80 (J)

1.70 (J)

1.60 (J)

1.50 (J)

1.50 (B)

Cement top:

540 ft

<u>Burst</u>

Max anticipated surface

pressure: Internal gradient: Calculated BHP

No backup mud specified.

1,936 psi 0.120 psi/ft

2,200 psi

Buttress: Premium:

Body yield:

8 Round LTC:

Tension: 8 Round STC:

Tension is based on air weight. Neutral point: 1.926 ft

Non-directional string.

Re subsequent strings:

Next setting depth: Next mud weight: Next setting BHP:

9,689 ft 9.200 ppg 4,631 psi

Fracture mud wt: Fracture depth: Injection pressure: 19.250 ppg 2,200 ft 2,200 psi

Run	Segment		Nominal		End	True Vert	Measured	Drift	Est.
Seq	Length (ft)	Size (in)	Weight (lbs/ft)	Grade	Finish	Depth (ft)	Depth (ft)	Diameter (in)	Cost (\$)
1	2200	9.625	36.00	J-55	ST&C	2200	2200	8.796	19122
Run Seq	Collapse Load	Collapse Strength	Collapse Design	Burst Load	Burst Strength	Burst Design	Tension Load	Tension Strength	Tension Design
1	(psi) 960	(psi) 2020	Factor 2.104	(psi) 2200	(psi) 3520	Factor 1.60	(kips) 79.2	(kips) 394	Factor 4.97 J

Prepared

Helen Sadik-Macdonald Div of Oil, Gas & Mining

Phone: 801 538-5357 FAX: 801-359-3940

Date: December 30,2011 Salt Lake City, Utah

Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:

43047520550000 AP 5-2JX

Operator:

XTO ENERGY INC

String type:

Production

UINTAH

COUNTY

Project ID:

43-047-52055

Design parameters:

Collapse

Location:

Mud weight:

9.200 ppg Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor

Environment:

H2S considered? Surface temperature:

No 74 °F 210 °F

Bottom hole temperature: 1.40 °F/100ft Temperature gradient: Minimum section length:

100 ft

Burst:

Design factor

1.00

1.80 (J)

1.80 (J)

1.60 (J)

1.125

Cement top:

1,624 ft

Burst

Max anticipated surface

pressure: Internal gradient: Calculated BHP

2,499 psi 0.220 psi/ft

4,631 psi

No backup mud specified.

Tension: 8 Round STC:

8 Round LTC:

Premium:

Body yield:

Buttress:

1.50 (J) 1.60 (B)

Tension is based on air weight. Neutral point: 8,337 ft Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	9689	5.5	17.00	N-80	LT&C	9689	9689	4.767	54611
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	4 631	6290	1.358	4631	7740	1.67	164.7	348	2.11 J

Prepared

Helen Sadik-Macdonald

by: Div of Oil, Gas & Mining Phone: 801 538-5357 FAX: 801-359-3940

Date: December 30,2011

Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9689 ft, a mud weight of 9.2 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

From: Jim Davis

To: APD APPROVAL

CC: Diane_Jaramillo@xtoenergy.com; Kelly_Kardos@xtoenergy.com

Date: 2/23/2012 12:47 PM **Subject:** APD approvals 10 for XTO

The following APDs have been approved by SITLA including arch and paleo clearance.

4304752053AP 14-2J4304752054AP 16-2J4304752055AP 5-2JX4304752102LCU 16-36F4304752103LCU 2-2H4304752104LCU 4-2H4304752106LCU 7-36F4304752107LCU 1-36F4304752108LCU 2-36F4304752109LCU 4-36F

-Jim

Jim Davis Utah Trust Lands Administration jimdavis1@utah.gov Phone: (801) 538-5156

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator XTO ENERGY INC

Well Name AP 5-2JX

API Number 43047520550000 APD No 4744 Field/Unit ALGER PASS

Location: 1/4,1/4 SWNW Sec 2 Tw 11.0S Rng 19.0E 2021 FNL 709 FWL

GPS Coord (UTM) 605570 4416159 Surface Owner

Participants

Misty Roberts (XTO), Brandon Bowthorpe (UELS), Jim Davis (SITLA), Krista Wilson (XTO), Damion Jones (XTO), Jody Mecham (XTO), Justin Justice (Kaufusi Excavating)

Regional/Local Setting & Topography

The general area is known as Wild Horse Bench and is located approximately 15 air miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. The Uintah and Ouray Indian Reservation is to the east. The area is accessed by Uintah County roads and existing oilfield roads to the location.

The proposed AP 5-2JX is mostly located on a location with a well that has been plugged. This was the AP 5-2J well that was drilled but tools were stuck in the hole and could not be recovered. The pad will be extended to the south in flat terrain. No diversions are needed around the pad. No springs, seeps or streams are known to exist in the immediate area.

Surface Use Plan

Current Surface Use

Wildlfe Habitat

New Road
Miles

Well Pad

Src Const Material

Surface Formation

0 Width 200 Length 355 Onsite UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Antelope, deer, elk, wild horses, coyotes, rabbits and miscellaneous small mammals and birds.

Broom snakeweed, halogeton and greasewood.

Soil Type and Characteristics

Surface soils are a shallow gravely, sandy loam with some surface rock.

Erosion Issues N

2/29/2012 Page 1

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

Site-Specific Factors	Site Ran		
Distance to Groundwater (feet)	> 200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	300 to 1320	10	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	30	1 Sensitivity Level

Characteristics / Requirements

A 100' x 140' x 10' deep reserve pit is planned on the northeast corner of the location in an area of cut. A pit liner and sub felt are both required. XTO commonly uses a 16 mil liner which should be adequate for this location.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

Other Observations / Comments

Evaluator	Date / Time
Richard Powell	10/18/2011

2/29/2012 Page 2

Application for Permit to Drill Statement of Basis

2/29/2012 Utah Division of Oil, Gas and Mining

Page 1

API WellNo APD No Status Well Type Surf Owner **CBM** 4744 **SITLA** No

43047520550000 GW

Operator XTO ENERGY INC Surface Owner-APD

Well Name **AP 5-2JX** Unit

Field **ALGER PASS** Type of Work **DRILL**

2021 FNL 709 FWL GPS Coord SWNW 2 11S 19E S Location

605508E (UTM) 4416368N

Geologic Statement of Basis

XTO proposes to set 2,200 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed casing and cement program should adequately protect usable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

> Brad Hill **APD** Evaluator

10/31/2011 Date / Time

Surface Statement of Basis

This well was previously permitted under the same name (API# 433-047-40107).

The proposed AP 5-2JX is mostly located on a location with a well that has been plugged. This was the AP 5-2J well that was drilled but tools were stuck in the hole and could not be recovered. The pad will be extended to the south in flat terrain. No diversions are needed around the pad. No springs, seeps or streams are known to exist in the immediate area.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the site evaluation. He had no concerns regarding the proposal. XTO is to contact SITLA for site restoration standards and seed mixes. Ben Williams of the Utah Division of Wildlife Resources was invited to the pre-site. He did not attend. The pre-drill investigation did not reveal any significant issues or situations, which should prohibit drilling and operating this well.

> Richard Powell 10/18/2011 Date / Time **Onsite Evaluator**

Conditions of Approval / Application for Permit to Drill

Condition Category

Pits A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed

and maintained in the reserve pit.

The reserve pit shall be fenced upon completion of drilling operations. Surface

RECEIVED: February 29, 2012

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/6/2011	API NO. ASSIGNED: 4304/520550000

WELL NAME: AP 5-2JX

OPERATOR: XTO ENERGY INC (N2615) PHONE NUMBER: 505 333-3647

CONTACT: Krista Wilson

PROPOSED LOCATION: SWNW 02 110S 190E Permit Tech Review:

> SURFACE: 2021 FNL 0709 FWL Engineering Review:

> BOTTOM: 2021 FNL 0709 FWL **Geology Review:**

COUNTY: UINTAH

LATITUDE: 39.89082 LONGITUDE: -109.76594 **UTM SURF EASTINGS: 605508.00** NORTHINGS: 4416368.00

FIELD NAME: ALGER PASS LEASE TYPE: 3 - State

LEASE NUMBER: ML-36213 PROPOSED PRODUCING FORMATION(S): MESA VERDE SURFACE OWNER: 3 - State **COALBED METHANE: NO**

RECEIVED AND/OR REVIEWED: LOCATION AND SITING: PLAT R649-2-3. Bond: STATE/FEE - 104312762 Unit: **Potash** R649-3-2. General Oil Shale 190-5 R649-3-3. Exception Oil Shale 190-3 Oil Shale 190-13 **Drilling Unit** Board Cause No: R649-3-2 Water Permit: 43-10091 **Effective Date: RDCC Review:** Fee Surface Agreement Siting: Intent to Commingle R649-3-11. Directional Drill

Stipulations:

Commingling Approved

Comments:

Presite Completed

5 - Statement of Basis - bhill23 - Spacing - dmason25 - Surface Casing - hmacdonald

API Well No: 43047520550000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: AP 5-2JX

API Well Number: 43047520550000

Lease Number: ML-36213 Surface Owner: STATE Approval Date: 2/29/2012

Issued to:

XTO ENERGY INC, 382 Road 3100, Aztec, NM 87410

Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-2. The expected producing formation or pool is the MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

API Well No: 43047520550000

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan contact Dustin Doucet
- Significant plug back of the well contact Dustin Doucet
- Plug and abandonment of the well contact Dustin Doucet

Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

 Within 24 hours following the spudding of the well contact Carol Daniels OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to cementing or testing casing contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 office
 Dustin Doucet 801-538-5281 office
 - 801-733-0983 after office hours
- Dan Jarvis 801-538-5338 office
 - 801-231-8956 after office hours

Reporting Requirements:

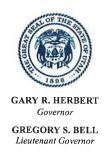
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
 - Report of Water Encountered (Form 7) due within 30 days after completion
 - Well Completion Report (Form 8) due within 30 days after completion or plugging

API Well No: 43047520550000

Approveu by:

For John Rogers Associate Director, Oil & Gas



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA Division Director

March 20, 2013

Rick Redus XTO Energy Inc. 382 Road 3100 Aztec, NM 87410

Re:

APDs Rescinded for XTO Energy Inc.

Uintah/Emery County

Dear Mr. Redus:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective March 20, 2013.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

iani Glasni

Environmental Scientist

cc:

Well File

Bureau of Land Management, Vernal

SITLA, Ed Bonner





Fwd: APDs

Brad Hill

 bradhill@utah.gov>

Wed, Mar 20, 2013 at 2:35 PM

To: Diana Mason < DIANAWHITNEY@utah.gov>

Here are some you can get rid of.

----- Forwarded message -----

From: Redus, Richard <Richard_Redus@xtoenergy.com>

Date: Wed, Mar 20, 2013 at 2:31 PM

Subject: APDs

To: "bradhill@utah.gov" <bradhill@utah.gov>

Mr Hill,

Please cancel the below APD's as XTO will not be drilling these wells within the foreseeable future.

XTO ENERGY INC	4304737569	RBU 14-15F	DRILL	01/12/2006	01/12/2013
XTO ENERGY INC	4304752133	LCU 4-16H	DRILL	01/12/2012	01/12/2013
XTO ENERGY INC	4301530704	UT FED 18-7-22-24	DRILL	01/24/2007	01/24/2013
XTO ENERGY INC	4304737648	RBU 6-4E	DRILL	01/30/2006	01/30/2013
XTO ENERGY INC	4304737652	RBU 7-16F	DRILL	01/30/2006	01/30/2013
XTO ENERGY INC	4304737653	LCU 14-9H	DRILL	01/30/2006	01/30/2013
XTO ENERGY INC	4304751354	KC 15-32E	DRILL	02/03/2011	02/03/2013
XTO ENERGY INC	4304736295	RBU 10-21E	DRILL	02/09/2005	02/09/2013
XTO ENERGY INC	4304740524	RBU 30-23E	DRILL	02/10/2009	02/10/2013
XTO ENERGY INC	4304740529	RBU 21-24E	DRILL	02/10/2009	02/10/2013

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XTO ENERGY INC	4304740530	RBU 28-23E	DRILL	02/10/2009	02/10/2013
XTO ENERGY INC	4304740531	RBU 23-23E	DRILL	02/10/2009	02/10/2013
XTO ENERGY INC	4304740532	RBU 31-23E	DRILL	02/10/2009	02/10/2013
XTO ENERGY INC	4304740533	RBU 25-23E	DRILL	02/10/2009	02/10/2013
XTO ENERGY INC	4304739050	LCU 15-4H	DRILL	02/12/2007	02/12/2013
XTO ENERGY INC	4304739051	KC 15-31E	DRILL	02/21/2007	02/21/2013
XTO ENERGY INC	4304752053	AP 14-2J	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752054	AP 16-2J	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752055	AP 5-2JX	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752102	LCU 16-36F	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752103	LCU 2-2H	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752104	LCU 4-2H	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752106	LCU 7-36F	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752108	LCU 2-36F	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304752109	LCU 4-36F	DRILL	02/29/2012	02/28/2013
XTO ENERGY INC	4304739068	KC 7-33E	DRILL	03/05/2007	03/05/2013
XTO ENERGY INC	4304739069	KC 13-33E	DRILL	03/05/2007	03/05/2013
XTO ENERGY INC	4304739070	KC 15-33E	DRILL	03/05/2007	03/05/2013
XTO ENERGY INC	4304737748	RBU 14-16F	DRILL	03/09/2006	03/09/2013

XTO ENERGY INC	4304740588	RBU 22-24E	DRILL	03/11/2009	03/11/2013
XTO ENERGY INC	4304740492	LCU 2-16H	DRILL	03/12/2009	03/12/2013
XTO ENERGY INC	4304740493	LCU 1-16H	DRILL	03/12/2009	03/12/2013
XTO ENERGY INC	4304739158	LCU 15-3H	DRILL	03/28/2007	03/28/2013
XTO ENERGY INC	4304739159	LCU 5-3H	DRILL	03/28/2007	03/28/2013

Rick Redus

Permitting Specialist

XTO Energy Western Division

Wrk: 303-397-3712

Cell: 720-539-1673

From: bradhill@utah.gov [mailto:bradhill@utah.gov]

Sent: Monday, March 04, 2013 1:20 PM

To: Redus, Richard

Subject: Sundry For API Well Number 43047364300000

Notice of Intent: APD_EXTENSION API Number: 43047364300000 Operator: XTO ENERGY INC

Approved: 3/4/2013

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Brad Hill P.G.
O & G Permitting Manager/Petroleum Geologist
State of Utah
Division of Oil, Gas, & Mining

Phone: (801)538-5315 Fax: (801)359-3940 email: bradhill@utah.gov